GOVERNMENT OF INDIA
SMALL SCALE INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:2138
ANSWERED ON:05.08.2003
REVIVAL OF SICK SSI UNITS
V. VETRISELVAN

Will the Minister of SMALL SCALE INDUSTRIES be pleased to state:

(a) whether the Government have drawn up some revised guidelines for rehabilitation of the sick small scale industrial units on the basis of recommendations of working group constituted by the RBI;

(b) if so, the details the revised guidelines;

(c) whether the said guidelines have been put into force;

(d) if so, since when; and

(e) the achievement made thereafter?

Answer

MINISTER OF STATE FOR SMALL SCALE INDUSTRIES AND DEVELOPMENT OF NORTH-EASTERN REGION (SHRI SIKDAR)

(a) to (d): Based on the recommendations of the Working Group constituted by the Reserve Bank of India (RBI) under the Chairmanship of Shri S. S. Kohli, the then Chairman of Indian Bank`s Association, the RBI has drawn up revised guidelines for rehabilitation of sick Small Scale Industrial (SSI) units, which include inter-alia change in the definition of sick SSI units, norms for deciding on their viability, time schedule for identifying and implementing rehabilitation package, etc. The RBI has circulated the revised guidelines on 16th January, 2002 to all the Banks for implementation. The revised criteria facilitate the banks to detect sickness at any early stage and take corrective action for revival of the potentially viable sick SSI units.

(e): The number of sick Small Scale Industries (SSI) has declined from 2,49,630 as at the end of March, 2001 to 1,77,336 as at the end of March, 2002 as per the latest available data complied by the Reserve Bank of India (RBI) from the Scheduled Commercial Banks.